

DOING BUSINESS WITH THE CAYMAN ISLANDS

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1. GENERAL INFORMATION

Official Name: Cayman Islands (made up of three islands Grand Cayman, Cayman Brac and Little Cayman)

Total Area: 260 km² or 100.4 square metres

Individual Area: Grand Cayman - 196 km²
Cayman Brac - 36 km²
Little Cayman - 25.9 km²

Capital: George Town

Population: 46, 600 (July 2007 estimate)

Language: English

Life Expectancy: 80.2 Total population
Male: 77.57 years
Female: 82.87 years

Literacy Rate: 98 percent

Climate: The Cayman Islands are located in the Western Caribbean. They enjoy a warm, tropical climate throughout the year. The rainy season is from May to October and the hurricane season is from June to November. Between November and April temperatures range from 72°F to 86°F during the day and 64°F to 72° at night. Between May and October temperatures range from 85°F to 90°F during the day and 73°F to 85° at night.

Economy: The Cayman Islands has the highest standard of living in the Caribbean. It's GDP per capita is the 8th highest in the world. Tourism and financial services are the main economic sectors replacing turtling (hunting of turtles) in the 1970s.

Geography: The Cayman Islands lie 240 km south of Cuba and 268km northwest of Jamaica. The islands claim a 200 nautical mile exclusive fishing zone and a territorial sea of 12 nautical miles. The highest point is the Bluff and the lowest point is at sea level. There is a lack of fresh water resources. The

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Islands are located in the Atlantic Hurricane belt. In 2004 they felt the fury of Hurricane Ivan which caused damage to the islands and some other countries in the Eastern Caribbean.

Currency:	Cayman Islands dollar (worth \$1.25 US)
Legal System:	British Common Law and local statutes
Political System:	British Overseas Territory
Religion:	Christian with many denominations – Roman Catholic, Anglican, Seventh Day Adventists, Presbyterians
Education:	The public school system is based on Caribbean, American and British curriculum. Caymanian children receive free primary and secondary education, but several churches and other organizations operate private schools from kindergarten to twelfth grade. There is a University College of the Cayman Islands run by Government, The international College of the Cayman Islands, St. Matthew's University and the Cayman Islands Law School which is a branch of the University of Liverpool in the UK, provide higher learning..
Government:	<p>As British overseas territories, the Cayman Islands are administered by the Cayman Islands' Government, headed by a Governor appointed by Queen Elizabeth II.</p> <p>There is no sentiment in the islands for independence.</p> <p>The islands are governed under a constitution which gives executive and legislative power to the Governor, an Executive Council, and a Legislative Assembly.</p> <p>The Executive Council is headed by the Governor and includes three appointed civil servants and four members of the Legislative Assembly elected by that body.</p> <p>The Legislative Assembly comprises the Speaker, and the three appointed members of the Executive Council.</p>
Political Parties	<p>Since 2000 there have been two political parties contesting office: the United Democratic Party and the People's Progressive Movement.</p> <p>While there has been a shift to political parties, many persons contending for office still run as Independent candidates. In the May 2005 elections, the People's Progressive Movement won the Government by capturing nine of the 15 parliamentary seats.</p>

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BASIC ECONOMIC DATA

2.1 ECONOMIC DATA

Table 2.1 Basic Economic Facts

GDP Per Head	US \$46 500 (2006)
Annual Growth	6.5 % (2005)
Inflation	7.0 % (2005)
Major Industries	Tourism, Offshore Finance
Major Trading Partners	93
Exchange Rate	\$1.20 US = CI \$1

Economic Data at September 2007

- The Consumer Price Index inflation averaged 3.5 percent as the food and household equipment indices continued to impact the overall index upwards.
- Work permits increased 11.3 percent.
- Combined credit to businesses and households by commercial banks rose 13.1 percent.
- Net foreign assets of the monetary and banking sector fell 9.8 percent while net domestic assets rose 13.8 percent.
- Average prime interest rate fell to 7.7 percent by the end of the period from 8.25 percent in September 2006.
- Merchandise imports rose 10.6 percent.
- Long stay visitor arrivals increased 8.5 percent while cruise ship passengers fell five percent.
- Banks and Trusts registrations fell 3.1 percent while insurance increased 3.3 percent.
- Stock Exchange listings increased 25.7 percent while stock market capitalization rose US\$32.5 billion, an increase of 33.0 percent.
- New companies registration increased 15.7 percent.
- The value of building permits dipped six percent while the value of projects approved fell 22 percent.

2.2 PRICES AND INCOME

As at September 2007, the Consumer Price Index (CPI) stood at 149.3, up by 3.1% in comparison to September 2006. The CPI is a measurement of the movement of prices in an economy and takes into consideration a number of categories –food, household supplies, fuel and light, transportation, clothing, personal goods and services, building equipment, medical supplies and education, and miscellaneous. The 3.1 percent meant that average inflation for the first nine months of 2007 was 3.5 percent. This was due to increases in the average prices of all major groups making up the CPI. Household equipment was up 8.5 percent, food 5.7 percent, personal goods and services 4.7 percent, and clothing 4.2 percent.

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Table 2.2 Prices and Income

Major Group	Sep 2007 Index	Sep 2006 Index
Food	143.1	135.9
Alcohol and Tobacco	135.5	133.6
Housing	145.9	144.7
Clothing	114.7	105.6
Household Equipment	154.9	135.1
Transport & Communications	137.70	131.5
Education & Medical	272.6	268.7
Personal Goods & Services	37.4	135.3

2.3 STRUCTURE OF CAYMAN ISLANDS ECONOMY

2.3.1 Tourism

The Cayman Islands' economy is dominated by tourism, which accounts for 70% of its GDP. Tourism in the islands is an up market industry that attracts more than one million visitors annually. Visitor arrivals in 2007 were up 8.8 percent and expenditure by visitors was US\$427.4 million. The United States is the main source of visitors to the islands, followed by Canada and the UK. There are also visitors from the Caribbean as well.

The islands are also a popular destination for cruise ship passengers and many of the major passenger lines dock there regularly. So significant therefore is tourism to the islands, that hotel construction and other infrastructure have continuously been upgraded as both a drawing card for visitors and visitor satisfaction. Earnings from tourism have contributed to citizens. The islands are not only limited to the traditional sand and sea tourism. They offer cultural facilities. They are best known for being one of the world's best known dive sites. Many visitors come to the Cayman Islands solely to explore the vast underwater life. The Jack Nicklaus Golf course, named after a famous golfer, is also an added attraction for golfers.

2.3.2 Financial Services Industry

The Cayman Islands is one of the world's leading office financial centres. Its financial services industry includes banking, mutual funds, captive insurance, reinsurance, vessel registration, companies and partnerships, trusts, structured finance and the Cayman Islands Stock Exchange.

The Cayman Islands' financial industry came about in the 1960s and has thrived and grown by leaps and bounds ever since. Over the last fifteen years, the Cayman Islands has focused on building a world class specialization of the institutional business and developing strong international cooperation agreements with the United States and other countries.

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The sector is aided by much desirable stability, innovative legislation, commercial strength, Government support and the absence of corporate, capital gains, income, payroll and withholding taxes, on domestic or foreign entities.

The key areas of the Financial Services Industry are banking, funding and wealth management, hedge funds, investment banking, insurance and stock market trading.

2.3.2.1 Commercial Banks: These offer the full range of banking services including deposits, savings, checking accounts and ATM services. Time deposits are particularly popular, so too are letters of credit, safe custody, commercial loans and mortgages. Many of the known banks; Scotiabank, Royal Bank, FirstCaribbean International Bank and Bank of Butterfield, operate in the Cayman Islands. There is also the Cayman National Bank (CND) the only one that has a presence in the three islands making up the Cayman Islands. Its fleet of 16 ATMs is the largest in the Cayman Islands and it offers a full range of domestic and international financial services. CNB was voted Bank of the Year 2005 in the Cayman Islands.

2.3.2.2 Investment Banking: This differs from the traditional banking in that emphasis is placed on analyzing financial situations, market conditions, and potential risks. Advice is provided on investing in key services such as securities underwriting, stock and bond trading, mergers and acquisitions facilitation, funding and arranging syndicated loans, and other areas such as the pricing of securities.

2.3.2.3 Fund Management: The Cayman islands has built up a fine reputation for fund management which in essence indicates the investment and management of large pools of finances usually pension funds, insurance funds, mutual funds etc on behalf of funds' owners. Based on information from the Cayman Islands Investment Fund Management (CIBIFM), there were 8 972 mutual funds regulated by the CIBIFM. Under the Mutual Fund Laws of 1996, investments or mutual funds with more than 15 members must be individually licensed or administered by licensed mutual fund administrators. In the area of hedge funds, a significant number of these are registered with the Cayman Islands Monetary Authority. American fund managers continue to register their funds in the Cayman Islands because of the stringent rules from the United States Securities Exchange Commission in the USA.

2.3.2.4 Stock Exchange: The Cayman Islands Stock Exchange was opened in 1997, specifically targeting mutual funds and specialized debt securities. The Exchange has more than 1 400 listings and market capitalization, the value of the market, was \$123 billion. Funds can either be established locally, or outside of the Cayman Islands in a recognized jurisdiction. The Cayman Islands stock Exchange has qualified for recognition by the United States Securities and Exchange Commission.

2.3.3 Manufacturing

Manufacturing is a small scale industry in the Cayman Islands and accounts for approximately 3.2 percent of GDP. The sector is not as active as in other parts of the Caribbean because of the small size of the country and the emphasis on financial services. The Tortuga rum cake is the principal manufacturing item of the Cayman Islands. Approximately 30 percent to 40 percent of

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production is exported. Overall exports of the Cayman Islands total about US\$2 million, with the United States being the major market.

2.3.4 Agriculture

Like manufacturing, there is small scale agricultural production in the Cayman Islands. As such most of the agricultural produce consumed in the country, is imported. However, there is minor production of vegetables and livestock, as well as turtle farming and aquaculture. Agriculture's share of GDP is 1.4 percent.

Table 2.3 Economic Growth in the Cayman Islands

YEAR	GDP Growth (%)
2003	2.0
2004	0.9
2005	6.0
2006	3.7
2007	3.0

2.3.5 Construction

Although construction is a robust sector in the Cayman Islands, given the size of the country, it is still subjected to the economic factors of supply and demand. It is for this reason that construction activity experienced a slowdown in 2007, following the robust activity undertaken to rebuild the country which experienced infrastructural damage by Hurricane Ivan in 2004. Government allocated \$13 million to assist with the rebuilding. The sector is driven by house construction, Government building and highway improvements programmes and private sector projects, which have contributed to the increase in construction activity.

2.3.6 Wholesale and Retail Trades

There is intense competition in this segment of the economy of the Cayman Islands. There are wholesalers who apart from controlling the importation of food and other items, are into the business of retailing. They have established supermarkets which compete vigorously for market share among the islands' population who has a penchant for high quality imports, and the thousands of visitors who travel to the Cayman Islands every year. This sector's contribution to GDP is around 10 percent.

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2.4 EMPLOYMENT

The Cayman Islands face a unique situation of having too many jobs available for the locals to fill because of the thriving tourism and financial sectors. About one-third of the islands' jobs are filled by foreigners. Unemployment is under 4 percent of the labour force, making the Cayman Islands one of the few developing countries where there is full employment.

The average income in 2002 was US\$35 000. The cost of living is very high in the Cayman Islands, however there is no income tax. The tourism sector supplies thousands of jobs in the hotels and resort field, from managerial positions to simple room services and in all areas of the water sports industry.

2.5 ECONOMIC OUTLOOK

The economic outlook remains very positive for the Cayman Islands, following the economic recovery in the aftermath of the damage to the islands by Hurricane Ivan in 2004.

In 2006 the Cayman Islands' economy expanded 4.6 percent while that for 2007 was just under 4 percent.

Information sourced from the Government indicates that the islands' economy is projected to grow 3.1 percent in 2008/9, 3.0 percent the following year and 2.8 percent by 2010/11.

Tourism, offshore business services, and Government services are expected to lead this growth. Given this positive outlook, employment levels are expected to increase from 35,520 in 2008/9, to 36,753 by 2009/10 and by 2010/11 respectively. Unemployment is forecast at 3.6 percent of the labor force in 2008/9, and 3.7 percent in the two following years. Inflation which largely reflects developments in the USA is projected at 3.3 percent in 2008/9, 3.2 percent in 2009/10 and 3.0 percent in 2010/11.

The islands are however vulnerable to external shocks. Evidence of this is the terrorist attack on 9/11, which resulted in some economic slowdown. The passage of Hurricane Ivan in September 2004 resulted in significant damage to the islands. Several homes, businesses and other infrastructure were affected, forcing the government to allocate resources to undertake renovations in the islands.

3. MARKET ACCESS ISSUES

3.1 GENERAL IMPORT POLICY

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3.1.1 Import Taxes and Duties

There are no taxes other than import duties, stamp duty at rates of between 7.5% and 9% on transfers of real estate and stamp duty at rates up to 1.5% ad valorem on legal documents dealing with valuable assets or transactions. There is an import tax of between 5% and 20 percent levied on most imported goods. Import taxes on automobiles ranges from 27.5% to 40% for most vehicles while Hummers are taxed at 100% of their value.

Some items which receive duty free treatment. These include agricultural machinery and supplies, certain basic foodstuffs (such as fish, cheese, coffee, macaroni, fresh and evaporated milk, potatoes, poultry, lard, dried peas and beans, onions, cornmeal, wheat flour, margarine, rice, salt beef and water) and luxury items (such as perfumes, cameras, fine china and crystal) The duty on jewellery is 10%.

3.1.2 Taxation

The Cayman Islands regulatory regime is highly favourable to foreign corporations because there is no taxation. However, each financial institution that operates in the islands has to pay a license fee.

3.1.3 Special Customs Procedures

The following goods may be taken into the Cayman Islands by travelers over the age of 18 years without incurring customs duty: 200 cigarettes or 50 cigars or 225 grams of tobacco, one litre of alcoholic beverages. Goods which are temporarily imported for a specified period (not normally exceeding six months) may be eligible for duty free importation, subject to certain conditions, which may include a deposit of duty or guarantee to cover the duty at risk.

Application for temporary importation facilities must be made to the Collector of Customs at the Administrative Office, at 47 Owen Roberts Drive, Grand Cayman.

The request for temporary imports must be made before the goods are delivered from the charge of Customs. If such passenger is over the age of 18 years, up to one litre of potable spirits or four litres of wines, or one case (not exceeding one litre) of beer.

Also, if such passengers are over the age of 18 years, up to 200 cigarettes, 100 cigarillos, 25 cigars, or 250 grams tobacco, are allowed.

3.1.4 Samples and Carnets

Product samples and literature represent one way of breaking into the Cayman Islands' export market. Once contacts are made with local agents/distributors then exporters are allowed to ship the samples. The main export opportunities in the Cayman Islands are:

- Food and Beverages

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- Foodstuffs
- Electrical fittings and cables
- Machinery and equipment
- Chemicals and pharmaceuticals
- Household products
- Giftware
- Clothing and footwear
- Toys
- Vehicle spares
- Stationery and consulting services
- Shop fitting services
- Motor vehicles
- Electricity generating equipment, and
- Telecommunication equipment.

Samples of these products can be shipped to the islands.

Information on exporting to the Cayman Islands can be sourced from the Cayman Islands' Chamber of Commerce. As regards the exportation of agricultural produce contact must be made with the Plant Quarantine Division.

There are strict regulations for importing pets and animals. The Cayman Islands and Jamaica have signed an agreement setting out broad guidelines for the importation of plant products from Jamaica.

3.2 OTHER REGULATIONS AND FACTORS THAT AFFECT TRADE

3.2.1 Foreign Exchange Controls

There are no capital or foreign exchange controls in the Cayman Islands. Offshore banking transactions are relatively free from control, subject to precaution from money laundering. Since this is the case, individuals and companies are free to convert their funds into other currencies if such is desired. Cayman Islands' authorities apply the principles of the Basle Committee on Banking Supervision and comply with the requirements of the G7 Financial Action Task Force.

3.2.2 Labelling and Marking Requirements

Imported goods must be properly labeled in order to enter the Cayman Islands. Custom's rules indicate that goods entering the islands must be described in sufficient details. These include tariff heading, country of origin, quantity in appropriate units and invoiced costs converted where necessary, at the current rate of exchange on the arrival date to Cayman Islands' dollars. These requirements are necessary to ensure that goods be treated for the appropriate levying of tariffs, and that the consumers are fully aware of what they are consuming.

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3.2.3 Laws of Patents, Trademarks and Copyright

3.2.3.1 Patents: As one of the world's leading Offshore Financial Services Centres, the Cayman Islands have modern regulations that guide the conduct of their patents' regime. The Patents and Trademark Law and the Patents and Trademark Regulation, permit owners of patents registered in the UK to extend such rights to the Cayman Islands. Patents must be registered with the Patents and Trademark registry. The protection of the patent in the Cayman Islands dates from the time such rights arose in the UK or in the European Union and continues in force so long as the protection and rights remain in force in both areas. The main remedies the Courts grant are permanent or interim injunctions, interdicts, delivery up, and damages.

3.2.3.2 Trademarks: Trademark protection in the Cayman Islands is only available to trademarks registered in the UK and by extension to the Cayman Islands. Application may be made at anytime during the life of the UK trademark, the extension expires upon the expiry date of the UK registration. Community Trade Marks (CTMs) registered in the UK may also be extended. Cayman Islands' nationals apply for CTMs, however, Cayman Island's legislation allows only for protection of extended UK trademarks. The right of priority established in Article 29 (5) of the CTM Registration does not apply. It is understood that an international mark under the Madrid Protocol that is protected in the UK may be protected in the Cayman Islands upon application to the competent local administration.

3.2.3.3 Copyright: Copyright regulations are strictly adhered to in the Cayman Islands. This strict policy is aimed at ensuring that any violations are nipped in the bud while also sending a signal that privacy and protection of works are upheld. Copyright applies to literary, dramatic, musical, artistic, architectural works, sound recording, pictorial, graphics, sculptured works and other qualifying intellectual works. Copyright exist automatically on the creation of a qualifying intellectual work. The English Copyright Act of 1956, was extended to the Cayman Islands in modified form by the Copyright (Cayman Islands) Order 1965. UK orders for certain reciprocal protection in relation to copyrighted materials and design have also been made. Otherwise protection is mainly by Common Law right, and is not capable of registration in the Cayman Islands. Protection is for the life of the author plus 50 years.

3.3 INVESTMENT POLICY

As a group of small islands the Cayman Islands have gone after investments to maintain the mobility of the group's economy policy. Attracting foreign direct investment is the cornerstone of the investment policy which has borne impressive results.

The Cayman Islands are among the world's top 10 countries in terms of investment flows. In 2007 the islands were the recipients of close to \$2 billion in foreign direct investment in the tourism and offshore financial services.

Investment in the Cayman Islands is being driven by a new body known as the Investment Bureau. Both foreign and domestic investments are at the heart of the successful development of the Cayman Islands as a leading offshore financial jurisdiction and the authorities in the three islands have not maintained their quest to have more investments in the three islands.

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One of the functions of the Bureau is to coordinate resources and information to prospective investors. It also advises Cabinet on investment issues and facilitates investments in all three islands while ensuring that potential investors are given a first rate experience when trying to relocate or to expand their offices in the Cayman Islands.

The mandate of the Bureau is to:

- enhance the image of the Cayman islands as a location for investment;
- target and generate investment opportunities in accordance with official development policies of the Cayman Islands' government;
- provide investor services, including pre-investment and after case services, and facilitating linkages with local investors;
- be the focal point for advising the Cayman Islands' government on policy, legislation, regulation and licensing changes that will enhance the investment environment.

Table 3.1 How the Cayman Islands Rank in Terms of FDI Inflows
Average 2001 - 2005

RANK	ECONOMY	INFLOWS (US\$ Million)
1	BVI	325 288
2	Bermuda	135 155
3	Cayman Islands	85 120
4	Luxembourg	8 545
5	Anguilla	5 061
6	Hong Kong (China)	3 385
7	Gibraltar	3 236
8	Singapore	3 231
9	Brunei	3 051
10	Belgium	2 775

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As part of the Bureau's mandate to stimulate and strengthen investment in the islands, particular emphasis has been placed on sustainable economic development programmes, and the provision of policy advice on the development of specific sectors of the islands' economy..

The Bureau and its executive arm, the Investment and Growth Management Advisory Board were created by the islands' Ministry of Tourism, Environment, Development and Commerce.

3.4 DOCUMENTARY REQUIREMENTS

The registration of companies in the Cayman Islands is governed by the Companies Law and all entities must be registered with the Registrar of Companies. Companies can be formed with a single shareholder and with no minimum capitalization required. A company may be registered in the Cayman Islands in one of several ways: resident companies, non-resident companies and exempt companies.

To list on the Cayman Islands' Stock Exchange, the entity must appoint a listing agent. The name, address, domicile of the entity and its legal form, directors' responsibility statement, details of auditors and other service providers, must be provided. Also there must be a statement that application has been made to list, information about the nature, amount and price of the issue and about valuations, subscription and redemption procedures must be submitted as well.

Import permits are required for items such as firearms, trailers, prefabricated buildings and plants. However, other items only require the standard shipping documents and commercial invoices.

4. GENERAL MARKETING FACTORS

4.1 IMPORT AND DISTRIBUTION SYSTEM

4.1.1 Wholesale Food Distribution

The system of distribution in the Cayman Islands is fully developed. The infrastructure is the most developed in the Caribbean allowing for safe and efficient handling and delivery of products. Wholesalers and supermarkets are the major importers of food products to the Cayman Islands. Most wholesalers represent selected brands under exclusive representation agreements. They buy the products directly from the manufacturers and receive a special price, in addition to marketing and promotional support. Wholesale companies supply the grocery stores, the hotels and the restaurants, as well as the supermarkets with the products for which they are the exclusive importers. Some even assist the supermarkets in the merchandising of the products in the store.

4.1.2 Retail Food Distribution Channels

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Two major categories of retail operators participate in the retail food market: supermarkets and grocery stores. Supermarkets account for about 90 percent of food sales to the consumers. Foster's Food Fair is the largest food retailer and owns two supermarkets. Hurley's supermarket and Republic are some of the well known supermarkets in the islands. All of them are well equipped with the latest technology – point of sales systems, scanners at checkout counters, and barcodes.

Credit cards are accepted for the settling of transactions. Each store is sectionalized with departments for meats, produce, seafood, dairy produce, dry goods, beverages, and snacks. They do not carry alcoholic beverages. There are smaller grocery stores which complete for market share in the food retail business. Few of the grocery stores import directly from overseas, instead buying from local wholesalers. Grocery stores are usually of a size small than 300 square feet.

4.2 USE OF AGENTS AND DISTRIBUTORS

Throughout the Caribbean, one has the choice of exporting to a distributor or directly to retail outlets. In the Cayman Islands the wholesalers and retailers are usually the same companies. They buy directly from manufacturers and goods having been assembled mainly in Miami are shipped to the islands. When choosing agents in the Cayman Islands it is always advisable to deal with established companies since they have the capital and contacts to effectively market products. Some distributors in the Cayman Islands buy directly from the wholesalers. They supply the smaller retailers who in turn offer sales to micro shops.

4.3 GENERAL MARKET CONDITIONS

Market conditions in the Cayman Islands are characterized by taste, high standard of living, a booming tourism sector, and growing contacts with the Caribbean. About 90 percent of the food consumed in the Cayman Islands is imported with the majority coming from the United States. The popularity of the American culture increases the taste for American food products. Stores are well laid out and items expertly positioned to give an ambience of sophistication. Coupled with the high standard of living, all of this makes US imports highly affordable and demanded. Since the majority of the visitors to the Cayman Islands originate in the United States, this has also triggered demand for American goods. In addition, the Cayman Islands' currency is tied to the US dollar and this provides another advantage for the affinity with American goods. However, research has shown that although the USA is dominant in the Cayman Islands' food business, the market is very open and in the process offers opportunities for exporters from the Caribbean. Imports come from Jamaica, and Trinidad and Tobago, along with interactions with Barbados in the area of Offshore Financial services. The Cayman Islands were among countries represented at a meeting in Barbados in 2000 dealing with harmful taxation charges by the Organization for Economic Cooperation and Development (OECD).

4.4 PAYMENT CONDITIONS

The largest importers in the Cayman Islands tend to be the oldest and most established.

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Caymanian importers generally work on an open account system of payment with their suppliers. Credit terms are usually 21/30/60/90 days. Both Sight draft and Term drafts are used in the method of payments.

5 FOREIGN TRADE DATA

The total value of goods imported into the Cayman Islands in 2006 amounted C!\$900.1 million (US\$1.08 billion). This represented a nine percent decline from the amount in 2005. Consumer goods, intermediate goods and fuel were the principal classes of the goods imported.

5.1 IMPORTS

Table 5.1 Value of Imports 2000-2006

YEAR	DOLLAR VALUE (Million)
2000	\$575.7
2001	\$515.1
2002	\$496.6
2003	\$556.0
2004	\$724.7
2005	\$995.3
2006	\$901.1

5.2 EXPORTS

Exports in 2006 were C!\$10.7 Million underlining the extent to which the Cayman Islands are not a major player when it comes to exports. Interestingly enough is the fact that the export figure for 2006 represents a 122 percent increase over the amount for 2005. The visible trade deficit is nonetheless very large.

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Table 5.2 Value of Exports 2000-2006

YEAR	DOLLAR VALUE
2000	\$3.2
2001	\$3.5
2002	\$2.3
2003	\$4.1
2004	\$7.3
2005	\$4.8
2006	\$10.7

6 TRANSPORT AND COMMUNICATIONS FACILITIES

6.1 TRAVEL AND COMMUNICATION

The Cayman Islands boast excellent travel and communications infrastructure for islands their size. Air travel, ground travel and shipping are well established providing adequate transportation facilities.

6.1.1 Airport

The main passenger airport in the Cayman Islands is the Owen Roberts International Airport. It is located in Grand Caymans, the largest of the three islands. There is an airport as well in Cayman Brac and with the Owen Roberts Airport, they serve as the Cayman Islands' main ports of entry for visitors. Little Cayman is served by daily inter island flights, offered by Cayman Airways Express. There are more than 55 weekly flights into the Cayman Islands, including 28 flights each week between Miami and Grand Cayman with feeder services to Cayman Brac and to Little Cayman. Cayman Airways provides inter-island services between the three islands. Other airlines serving the Cayman Islands are American Airlines, Continental, Delta, Northwest, USAir, Air Canada, British Airways and Air Jamaica.

6.1.2 Shipping

Many of the well known international shipping lines do business with the Cayman Islands. These include Kirk Freight Line, Thompson Shipping and Cayman Freight Shipping Services Limited. Many of the services originate out of Miami.

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6.1.3 Bus Service

The Cayman Islands boast a reliable and inexpensive bus service. The service is more concentrated in Grand Cayman. It operates between George Town and surrounding areas. Buses operate on eight different routes that are color coded for easy recognition. The main bus depot is located in George Town which serves as a transit point for other locations. From George Town buses travel to Bodden every 30 minutes between 6 a.m. and 11 p.m. Sunday through Thursday and until midnight on Fridays and Saturdays. The fare is US\$2 per person. The bus from George Town to East End and to North Side operates hourly between 6 a.m. and 9 p.m. Saturday through Thursday, and until midnight on Fridays. The fare is US\$2.50 per person.

6.1.4 Taxis

Taxis complement the bus service in two of the Cayman Islands. They are limited in Cayman Brac and non-existent in Little Cayman. Rates are based on a maximum of three rides. The minimum fee is CI\$4 for the first mile, and CI\$1.75 for each additional ride.

6.1.5 Car Rentals

These services are widespread with charges ranging from at least US\$30 a day to US\$40 a day. Car rental firms are located at the Owen Roberts International Airport, Georgetown and at some hotels. Along with rental fee, drivers will need to purchase a temporary driver's license. Most car rental firms offer American and Japanese vehicles. The firms offer unlimited mileage, free pick up and drop off and free airport transfers.

6.2 BUSINESS HOURS

Monday through Friday 8.30 a.m. to 5 p.m. Saturdays 9 a.m. to 1 p.m.

Most businesses in the Cayman Islands close on a Sunday. However, those establishments which are opened on Sundays include pharmacies, gas stations, restaurants and hotels. Commercial banks open from 9 a.m. to 4 p.m. Monday to Thursday, and 9 a.m. to 4.30 p.m. on Friday. On Saturdays the opening hours are from 9 a.m. to 1 p.m. For Government Departments the opening hours are 9 a.m. to 5 p.m. Monday through Friday.

6.3 PUBLIC HOLIDAYS (2008)

January 1	New Year's Day
January 28	National Heroes Day
February 6	Ash Wednesday
March 21	Good Friday
March 24	Easter Monday
May 19	Discovery Day
June 16	Queen's Birthday

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July 7	Constitution Day
December 25	Christmas Day
December 26	Boxing Day

All Government offices and most retail establishments are closed on these days.

6.4 ENTRY REQUIREMENTS

Nationals of Commonwealth countries, entering the Cayman Islands do not require a visa. However, nationals of the USA, Canada, and certain other countries do. A visitor must hold a return airline ticket to his/her country of origin or legal residence. The visitor is required as well to have enough funds to maintain himself while in the islands.

If you plan to transit through the USA on your way to the Cayman Islands you will require an American visa.

A casual visitor to the Cayman Islands is not allowed to take up or to solicit employment while in the islands. A work permit must be applied for and obtained before arriving, either by the individual if he/she is to be self employed, or by the employer with a position to fill. A work permit entitles the holder and named dependents (normally limited to three) to live in the islands during the term of the work permit or specific employment.

Dependents will not be allowed to work without their own licenses.

6.5 WEIGHTS AND MEASURES

The Cayman islands use the British Imperial system of miles, pounds, ounces etc.

6.6 ELECTRICITY

110 Volts or 60 hz are the electricity system in use in the Cayman Islands..

6.7 STANDARD TIME

The Cayman Islands' standard time is five hours behind GMT

7. APPENDICES

7.1 ADDRESSES

7.1.2 Manufacturers and Commercial Organization

Cayman Islands Chamber of Commerce
P.O. Box 1000

DOING BUSINESS WITH THE CAYMAN ISLANDS

Grand Cayman
KY1-1102
CAYMAN ISLANDS
Tel: (345) 949-8090
Fax: (345) 949-0220
E-mail: info@caymanchamber.ky
Website: <http://www.caymanchamber.ky>

Cayman Islands Monetary Authority

P.O.Box 10052
80e Shredden Road
Elizabethan Square
Grand Cayman KY1-1001
CAYMAN ISLANDS
Tel: (345) 949-7089
Fax: (345) 949-2532
Website: www.cimoney.com.ky

Cayman Islands Department of Tourism

Leeward 2, Regatta Office Park
West Bay Road, Grand Cayman
CAYMAN ISLANDS
Tel: 345-244-1259
345-949-0623
Fax: 345-949-4053

Cayman Islands Investment Bureau

Cayman Corporate Centre
Hospital Road
1st Floor
P.O. Box 10087
Grand Cayman, KY1-1001
CAYMAN ISLANDS
Tel: (345) 945-0943
Fax: (345) 945-0941
Email: info@investcayman.gov.ky
Website: www.investcayman.ky

7.1.1 Newspaper and Magazines

- Caymanian compass,
- George Town,
- Grand Cayman.
- <http://www.caycompass.com>
- Cayman Net
- George Town
- <http://www.caymannotnews.com>

DOING BUSINESS WITH THE CAYMAN ISLANDS

7.1.2 Industrial Business Consultants

These cover a wide assortment of businesses and information is obtained from the Cayman Island Chamber of Commerce and a web site Guide to Cayman Business Directory.

7.1.3 Banking Systems

Although individual financial organizations have their associations the Cayman islands Monetary Authority acts as the regulator and the main body which sets standards and ensures that they are observed.

7.1.4 Government Offices

Several of the Ministries of Government in the Cayman Islands are located in the Government Administrative Building, George Town, Grand Cayman. Others are within striking distance of that administrative block.

7.1.5 Shipping Services

The Cayman Islands' Shipping Registry is responsible for the enforcement of the applicable international shipping. Information on shipping services and contacts can be secured from the Registry.